



ANALYZING INDIAN MUTUAL FUNDS AND THEIR MARKETING PRACTICES: A CASE STUDY OF JODHPUR, INDIA

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ABSTRACT

The Indian Mutual Fund Industry is rapidly growing due to infrastructure development, increased personal financial assets, foreign investment, rising risk appetite, higher income levels, and growing awareness. Mutual funds have become a preferred investment option due to their diversification and liquidity features. They play a vital role in promoting economic development, not only through savings but also in shaping the financial and capital markets. This study emphasizes the necessity of effective marketing practices in the Mutual Fund Industry in Jodhpur, India, with a focus on analyzing marketing strategies and associated challenges.

Keywords: Indian Mutual Fund Industry, Marketing Practices, Investment Vehicles, Financial Development, Jodhpur, India

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INTRODUCTION

In the early long stretches of the changes, the Indian Capital Markets kept on showing the development and liveliness that have been introduced since the mid 1980s. Be that as it may, this soon dwindled and the capital markets finished a time of changes at a lower level on most measurements than toward the beginning of the changes. During the period from January 1984 to October 1992 the market conveyed an exacerbated yearly returns at around 32 percent in rupee terms (the market record went up in excess of multiple times) and 16 percent in dollar terms (the dollar balanced file went up almost multiple times). On the other hand, during the two decades from 1965 to 1984 the market had conveyed an exacerbated yearly returns of under 6 percent in rupee terms and short of what one percent in dollar terms.

The lackluster showing of securities exchange during the post change period is expected essentially to a sharp fall in the value winning

proportion. Over the most recent few years, the P/E proportion has split from the degrees of around 30 came to in the early long stretches of the changes. The P/E proportion is currently back to pre-change (late 1980s) level. The portion of families reserve funds streaming into the capital market (which had arrived at 23 percent in 1992) fell back to around 5 percent by the late 1990s. This is roughly a similar level as in the mid-1980s and forcefully lower than in the late 1980s and mid-1990s.

The greater part of this development halted or turned around in the later 50% of the 1990s. Toward the finish of February 2002, the market record in rupee terms was uniquely around 7 percent over the post trick level of October 1992." The normal market record during the initial eleven months of 2001-2002 was actually equivalent to in October 1992. This implies zero return in rupee terms in around 9 years. In dollar terms, the normal file in the initial eleven



months of 2001-02 was not exactly 50% of what it was in October 1992.

There has been an extreme change in monetary strategy in India, from a state-controlled to a market economy. Incorporated arranging and state control which had outlasted their utility in the wake of changes in the worldwide financial condition, cleared a path for auxiliary modification programs and monetary progression. The goals of the changes were to evacuate the passage boundaries for local private division establishments (mutual funds, banks, and so forth.) and remote organizations (mutual funds, outside financial foundations (Fils), broking firms, and so forth.), increment straightforwardness in market tasks of financial mediators (through exacting revelation standards, capital ampleness, and so forth.) and advance a situation of sound challenge (through reasonable administrative standards). The market controllers have been engaged to assume their job as guard dog, and supervisory structure have been fortified to forestall market disappointments, and secure the premiums of investors.

Changes in the financial area have likewise upgraded the extent of India's entrance to worldwide capital markets, and the progression of universal capital markets, and the progression of universal reserve funds into India has consequently made the way for coordinating the Indian market with worldwide capital markets. Globalization has expanded the extent of rivalry, mechanical change and investor amicable research, which in course of time should build the productivity of Indian establishments, decrease cost of tasks and energize better asset assignment.

TYPES OF MUTUAL FUND

There are a wide assortment of Mutual Fund schemes that oblige your needs, whatever your age, financial position, risk resilience and return desire. Regardless of whether as the establishment of your investment program or as an enhancement, Mutual Fund schemes can assist you with meeting your financial objectives. The various kinds of Mutual Funds are as per the following:

Diversified Equity Mutual Fund Scheme

A mutual fund scheme that accomplishes the advantages of expansion by putting resources into the loads of organizations over countless areas. Accordingly, it limits the risk of introduction to a solitary company or area.

Sectoral Equity Mutual Fund Scheme

A mutual fund scheme, which spotlights on investments in the value of organizations over a predetermined number of parts – generally one to three.

Index Funds

These funds put resources into the loads of organizations, which contain significant records, for example, the BSE Sensex or the S&P CNX Nifty in a similar weight age as the particular files.

Tax Saving Equity Schemes

Schemes putting dominantly in value which offer tax discounts to investors under explicit arrangements of the Income Tax Act, 1961 as the Government offers tax motivators for investment in indicated roads. For example Value Linked Savings Schemes (ELSS). As of now discount u/s 88 can be benefited unto a most extreme investment of Rs 10,000. A Lock-in of 3 years is compulsory.

Monthly Income Plan Scheme

A mutual fund scheme which targets giving standard pay (not really month to month, don't get deluded by the name) to the unit holder, for the most part by method for profit, with investments dominantly paying off debtors securities (up to 95%) of corporate and the legislature, to guarantee normality of profits, and having a littler segment of value investments (5% to 15%) to guarantee better yield.

Income schemes

Obligation arranged schemes putting resources into fixed pay securities, for example, securities, corporate debentures, Government securities and currency market instruments.

Floating-Rate Debt Fund

A fund containing securities for which the loan fee is balanced occasionally as indicated by a predator-mined equation, generally connected to a record.

Gilt Funds

These funds put only in government securities.

Balanced Funds

The point of adjusted funds is to give both development and normal pay in that capacity

schemes put both in values and fixed salary securities in the extent demonstrated in their offer reports. They by and large put 40-60% in value and obligation instruments.

OBJECTIVE OF STUDY

- This study mainly focuses on the need for marketing practices for Mutual Fund Industry in Jodhpur, India.
- To analyze the marketing strategy of Mutual Funds.
- To analyze the issues responsible of mutual fund

METHODOLOGY

Research configuration can be depicted as a blueprint of an exploration venture working or an example. In an examination structure there are arrangement of earlier choice that together give an end-all strategy to finishing an exploration venture. Research configuration is demonstrated to be an extension between what has been built up and what can anyone do direct of the investigations.” Research configuration ought to be compressive and it ought to give which strategy to be utilized and what work to be finished. Research configuration depicts as a ground breaking strategy a progression of key choices that serves a model for leading an exploration venture.

Exploratory Research

Exploratory study goes incredible and endeavors to clarify the explanations behind the wonder that the unmistakable examination just watched. The scientist utilizes speculations or at any rate speculations to represent the powers that made a specific wonder happen.

SOURCES OF DATA

The social occasion of information may extend from a straightforward perception at one area to a self-important review of global companies at destinations in various parts of the world. The technique chose will to a great extent decide how the information are gathered. Information is the certainties exhibited to the analyst from the investigation's condition. Qualities of the information are as per the following:

- Information are more allegorical than genuine

Q1: Do you think that different marketing practices are required to start different types of programs?

- Information are handled by our faculties regularly restricted in contrast with the faculties of other living life forms.
- Catching information are said to be dependable in light of the fact that they might be confirmed.
- Information group their verity by closeness to the wonders
- There are two sorts of information that can be gathered for research reason. In view of the necessity in the examination fitting information is gathered.

Primary data source

Primary information is gathered and accumulated just because. Essential information is looked for their closeness to reality and powers over mistake. Favorable circumstances of essential information are: Scientists can gather definitely the data they need. They typically can indicate the operational definitions utilized and can take out, or if nothing else screen and record the incidental impacts on the information as they are accumulated.

Secondary data source

Secondary data source gathers optional information. Along these lines, it becomes optional data for the examination. Optional information have had least one degree of elucidation embedded between the occasion and its chronicle. Explanations behind utilizing the optional information are recorded beneath: They fill a requirement for explicit reference or reference on some point, Auxiliary information are a vital piece of a bigger research study. Optional information might be utilized as the sole reason for an exploration study, since in many inquire about circumstances one can't lead essential investigate Because of physical, legitimate, or cost impacts.

RESULT AND DISCUSSION

The final product of situating is the effective making of client - centered offer, a pertinent motivation behind why the objective market will purchase the item. An all-out Market can be characterized as people or association with needs, need, request anyway inside the absolute market there is in every case some assorted variety among purchasers, not all shoppers who drink hot drink needs tea.

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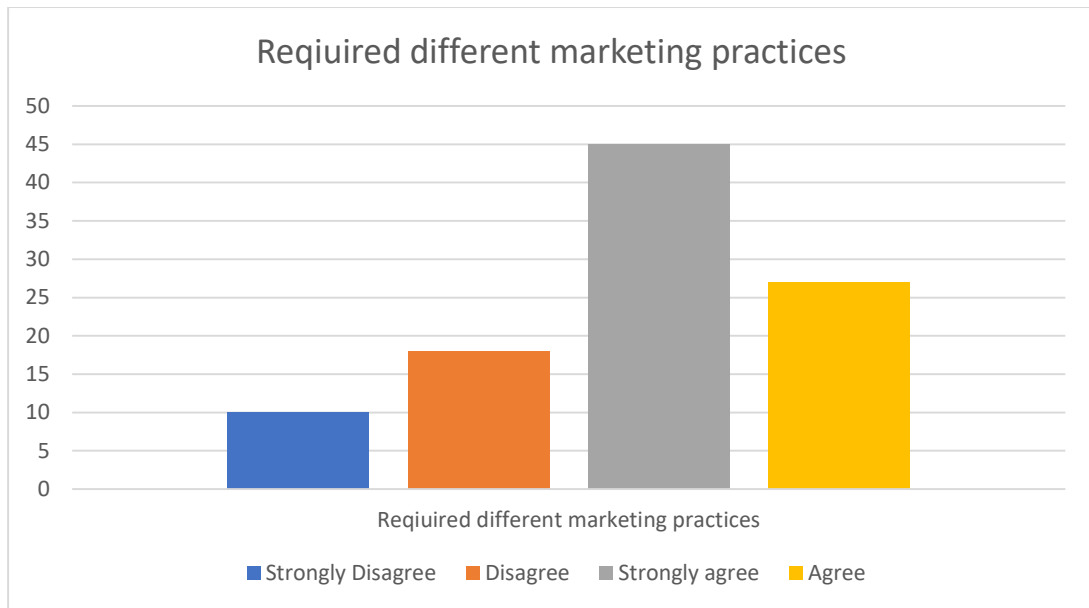


Figure 1: Analysis of marketing practices required when they established a new scheme

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Interpretation: The above mentioned figure 1 new scheme. Then only 10% of respondents are shows that the analysis of marketing practices said strongly disagree with this required required when they establishing a new scheme. marketing practice. The peoples who are get just The 45% of respondents strongly agree with agreed with the practice requirement is 27% required the different practice for introducing a among the total number of respondents.

Q2: Classify the following factors (1, 2, 3 ... etc) that will affect your mutual funds in launching new plan products.

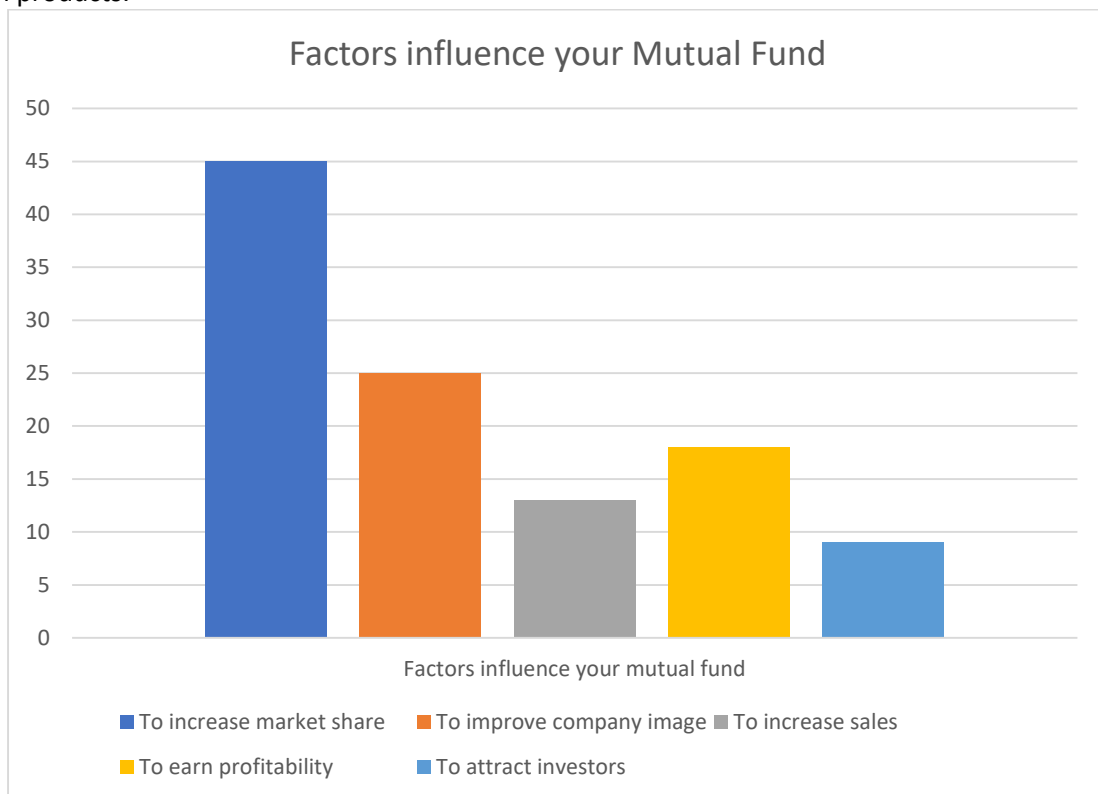
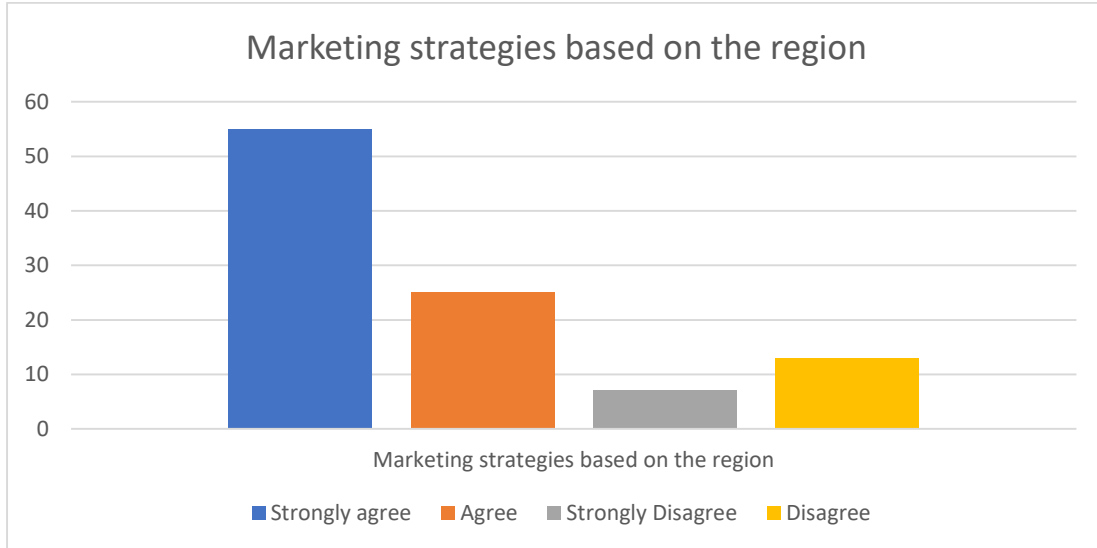


Figure 2: Shows Influence factors of Mutual fund companies

Interpretation: The above figure shows that the percentage of influencing factors which are used by the companies. It conclude that the company agreed with 45% of influence factor to increase market share and 25% to improve the image of the company with 18% to earn their profitability also pole only 9% to attract investors.

Q3: Do you agree with this statement: Marketing practices vary from region to region and from investor to investor?



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Figure 3: Analysis of marketing strategies based on the region

Interpretation: The above figure shows that the strategy of mutual fund is fully differed by the analysis of the marketing strategies are based on type of the region. And then only 7% of the the region type. Here 55% of respondents are strongly disagree with this strongly agreed with that is the marketing different marketing strategies of companies.

Q4: Are you conducting marketing tests for the mutual fund before its final launch?

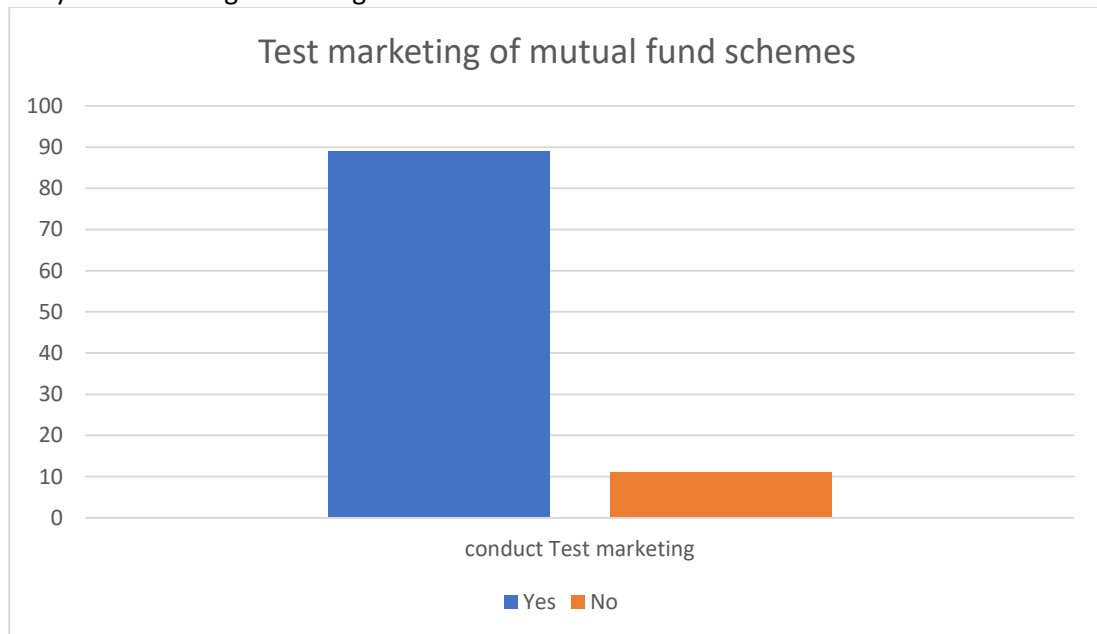


Figure 4: Analysis of conduct test marketing of mutual fund schemes

Interpretation: The above mentioned figure 4 shows that the analysis of companies are conduct pre-conduct test the marketing schemes of mutual funds. In our analysis 89% of Jodhpur Company peoples are said agree with this conduction of pre before marketing test. But 71% of remaining respondents are only disagree with this conduct test marketing of Mutual Fund scheme before its final launch.

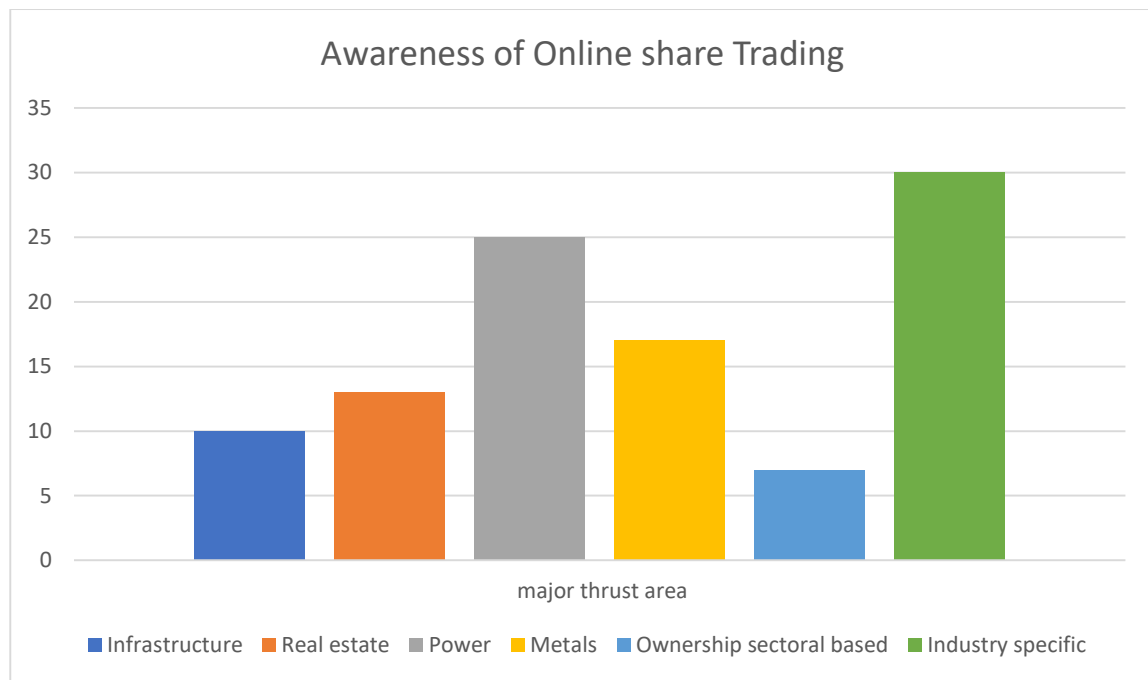


Figure 5: The major thrust area in Mutual Fund

Interpretation: This shows people trust just upto 7% of proprietorship part situated in mutual fund. And afterward 30% of peoples in Jodhpur push explicit industry zone with 25% of people trust in Power regions. Subsequently, powerful and proficient advances ought to be embraced to charm the clients to put more in the rewarding securities exchange.

The mutual fund industry has significantly reshaped financial landscapes, offering a wide range of accessible products to various investor segments. Regulations provide ample room for product structuring, focusing on plain vanilla offerings with adaptability to changing financial conditions. Private sector mutual funds prioritize client service, utilizing technology for quick and efficient assistance. They redefine service in the Indian context by educating investors about financial trends, portfolio assessments, and providing information through newsletters. Market innovation is evident, with fund houses and distributors offering personalized asset allocation and additional services like tax advice and research. Building strong brands becomes essential as it aids in marketing products effectively. A widespread distribution network is crucial to reach all corners of a geographically diverse and densely populated nation like India. Information technology plays a pivotal role in cost-effective service delivery, with open data flows and web-based marketing offering personalized and profitable solutions

CONCLUSION

The mutual fund industry faces dynamic challenges in a rapidly changing environment. The current marketing management setup falls short of meeting contemporary demands. To address these challenges, the mutual fund industry must make relevant adjustments in administrative, marketing, and financial structures. This study primarily explores mutual fund marketing practices. With mutual fund companies offering similar benefits, differentiation can only be achieved through employee expertise, attitudes, responsiveness, and skills. The key factors that set one company apart from another are 'product delivery' and promotion. Product delivery hinges on company personnel, while promotion involves advertising, publicity, commercials, and sales promotion. To ensure a successful mutual fund launch, it is crucial to educate investors about the product's features using promotional tools and motivate professionally trained company agents for improved delivery. Recommendations are provided based on survey results, personal observations, and discussions with experienced individuals well-versed in these matters.

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